Mining of mineral sands in Kerala

†755. SHRI N.K. PREMACHANDRAN: Will the Minister of MINES be pleased to state:

(a) whether Government have accorded permission to any private companies for mining of mineral sands from the Kerala coast and if so, the details thereof;

(b) whether Government have examined its implications on the National Security, environmental impact and coastal regulation aspects before issuing permission to private mining of rich mineral resources having atomic energy importance;

(c) if so, Government's reaction thereto;

(d) the terms and conditions prescribed by Government for private sector mining; and

(e) whether the permission to private sector mining would adversely affect the IREL at Chavara?

THE MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYANA RAO): (a) Mining leases are granted by the State Governments as per provisions of Mines and Minerals (Development and Regulation) Act, 1957 and Rules made thereunder. Only for a select number of minerals specified in the First Schedule of the said Act, prior approval of the Central Government is required before grant of mineral concessions by the State Governments. Even in the cases of prior approval, the grant of mining lease and execution of lease deed with the lease-holder is done by the concerned State Government. The Department of Atomic Energy has opened the beach sand mineral sector to private sector through a Policy Resolution on 6.10.1998. During the last three years i.e. since 1.4.2002 till date, approval has been conveyed in respect of seven proposals for grant of mining leases for ilmenite, rutile, leucoxene, zirocon and sillimanite in favour of M/s Kerala Rare Earths and Minerals Ltd. (KREML) for a total area of 32.2233 hects. in district Alappuzha.

(b) and (c) Prior approval to mining leases for atomic mineral to M/s KREML was given only after obtaining no objection from Department of Atomic Energy and several conditions have been imposed in the said

†Original notice of the question was received in Hindi.

mining leases to safeguard national security, environment and coastal regulation.

(d) The terms and conditions of the mining leases are governed by the provisions of Mines and Minerals (Development and Regulation) Act, 1957, Mineral Concession Rules, 1960, Mineral Conservation and Development Rules, 1988, other applicable Acts and Rules including Forest (Conservation) Act, 1980 and Environmental Notification dated 27/1/94 as issued and amended by Ministry of Environment and Forests, wherever applicable. In case of atomic minerals further conditions are prescribed by Department of Atomic Energy to safeguard national security, environment and coastal regulation.

(e) No, Sir.

Value addition of minerals

756. SHRI PYARIMOHAN MOHAPATRA: Will the Minister of MINES be pleased to state:

(a) whether it is Government's policy to encourage value addition of minerals within the country for creating greater wealth, employment and revenue; and

(b) if so, whether any exercise been undertaken or contemplated to amend the provisions of the MMRD Act suitably and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYANA RAO): (a) The National Mineral Policy for non-fuel and non-atomic minerals announced by the Government in 1993 emphasizes various aspects and elements including export of minerals in value added form. However, value addition is a commercial decision for investors depending, inter-alia on the demand for the value added product and profitability of the venture.

(b) Section 11(3) of the Mines and Minerals (Development & Regulation) Act, 1957 provides that mineral concessions may be granted by the State Government after taking into consideration, inter-alia, the investment which an applicant proposes to make in the mines and in the industry based on the minerals.